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not be merely cultivators of rice or the bearers of burdens, but that they shall be furnished with all the facilities for education of which they can make advantageous use; and it is expected that intelligence rather than ignorance will render them contented in their present political relations and strengthen their allegiance to the constituted authorities.

COLONIAL AUTONOMY, WITH SPECIAL REFERENCE TO THE GOVERNMENT OF THE PHILIPPINE ISLANDS.

PAUL S. REINSCH.

The historical conditions surrounding the acquisition of the Philippine Islands by the American government were of such a nature as to give rise to a very definite and peculiar legislative policy. The colonial expansion of other nations has usually followed up commercial or other economic enterprises, and therefore has generally been dominated only in a secondary manner by political considerations. In the imperial expansion of France, it is true, political motives predominated to a larger extent, and we shall therefore be prepared to find a certain similarity between American and French colonial methods. It was a political motive,—the desire to weaken the prestige of Spain,—that led the American government to make an attack upon Spanish dominion in the Philippine Islands, at a time when the American nation had as yet no economic interests in the archipelago, the foreign commerce of which was in the hands of Chinese and Europeans. It was also primarily for a political purpose that the islands were ultimately retained, as it was felt that they would assure the United States a position of leadership in the settlement of the Oriental and Pacific questions. Another motive was the desire to exclude any other power which might wish to take advantage of a renunciation on the part of the United States. When the islands had thus been acquired, the public conscience was somewhat disturbed, especially as a stubborn and far-spread native opposition had to be put down by force of arms. It was therefore

found necessary to develop a constructive policy which would satisfy, to a certain extent, public opinion at home as well as the claims of the more ambitious political class in the Philippine Islands. As public opinion was aroused, it was necessary to act rapidly; therefore, it did not seem advisable to take time to study carefully the local conditions of the islands and to allow the local institutions to develop gradually according to the laws of inner necessity. What was needed was a complete and definite program of social and political reform, which would appeal to public opinion at home as entirely adequate to solve all difficulties. It is very natural that under such conditions the program actually adopted was not based upon the characteristics of Philippine society and its organic needs, but rather upon the political ideals and aspirations of the American republic. Every nation considers its institutions best, and in their expansion it readily sees the bestowal of a benefit upon races less fortunately situated. Nations have very little sense of historical perspective in their own affairs, they lack it entirely in dealing with the affairs of other peoples and races. The constructive policy adopted and since pushed with great vigor was therefore based on American precedent, and constituted an attempt to assimilate native institutions to American ideas. Our form of territorial government was used as the model for institutional construction, and though the municipal and provincial system preserved some elements of the Spanish régime, American ideas controlled entirely in the creation of the assembly with its system of numerical representation and popular election. The American system of education was introduced, the public administration in all its branches was modelled upon that of the American commonwealth, and even the economic policy—including the questions of the labor supply, of the land system, and of the commercial policy,—was based upon American experience. But while all these measures tending toward assimilation were adopted, it was by no means our purpose completely to assimilate the Philippine population and to make them members of the American national republic by giving them the rights of American citizenship and of statehood. Stopping short of this extreme in assimilation

policy, the government proclaimed that it was its purpose to educate the Filipino people for self-government and autonomy; and in the latest authoritative expressions concerning our policy, the aim indicated is that of establishing relations similar to those which now exist between the United States and the Cuban Republic.

When we consider the actual meaning of the term "self-government," or "autonomy," it will be clear that the policy of assimilation and of autonomy are opposites. Autonomy means the self-determination of a society,—the freedom to develop those customs and institutions which spring naturally from its ethnical characteristics and from the social and economic conditions under which it lives. The form of autonomy varies according to the requirements of a given society from systems of authority like those of Japan and Germany, to systems of democratic organization like that of the United States. In history we have no example of the autonomy of one nation being created by the efforts of another and no nation has as yet successfully determined the social evolution of another race by conscious political methods. The populations with which Rome came in contact were completely assimilated after the acid of the Roman spirit had dissolved their native political systems. There does not seem to exist a satisfactory standing-ground between the dissolution of a native civilization which is to be assimilated to a more powerful society, and the recognition of the independence of local development. Whenever, therefore, assimilation is held to be impossible on account of racial differences, it is generally considered a wise policy to avoid measures of pseudo-assimilation which can only have the result of unsettling the native social life, without raising it effectually to a higher level. British colonial policy is based on this fact, and in India political action is confined to purely economic and legal activities, while the social and religious life of the population is not interfered with. But the United States in the Philippine Islands has made an effort to combine these two policies and to educate the Philippine nation towards autonomy by imposing upon it an alien system of institutions. It is not difficult to see that the his-

torical development of the American nation would naturally lead to just such a result. Our national experience has led us to believe in the power of institutions to assimilate racial elements of great diversity. It has been the most characteristic element of our civilization that we have freely invited the races of Europe to come to our shores and to participate in the national life of our country; nothing causes us greater satisfaction than to see the ready assimilation of Hungarian, Jewish, and Italian immigrants, and especially do we love to hear of their intelligent use of our institutions. We are therefore disposed to value very highly the assimilative or civilizing effect of institutional framework, and are apt to forget that after all the people that have come to us from Europe have been intimately connected with us through prior civilization and that they have been prepared in their ways of thought and their ideals to accept our institutions and to appreciate their spirit. A very different part of our national experience has been supplied by the negro question and Chinese immigration. The former has by this time taught us the lesson that deep racial differences cannot be bridged over by political institutions, and that the slow process of economic development is necessary to bring up a race to a social condition where the institutions of a highly individualized system can be advantageously applied. Socially, the American people feel a greater contempt for the colored races, including the yellow race, than any other nation, and while the assimilative power of our institutions is constantly emphasized, the social attitude of the nation is one of the greatest exclusiveness towards people who are not near of kin to us. We are willing to give the Filipinos our institutions, but we recognize that we shall not be able to make Americans of them so as to be willing to allow them to share in every respect in our national life. The result, therefore, is a policy, which while establishing our institutions in the dependency, would confine the Filipinos to a special and subsidiary position in the life of the American empire. With the avowed purpose of educating the Filipino for self-government, we have imposed a complex legislation based upon our own experience. And though this legislation is, from our own point of view, very wise and pro-

missing of the most satisfactory results, it is yet a question whether the measures on which we place so much reliance really supply a complete solution of the difficulties, or whether we must search for a different principle of action.

As the first political necessities have now passed, it is perhaps time to ask ourselves how far the institutions thus created really respond to the social and economic needs of the Philippine people. We have thus far failed carefully and objectively to consider the possibilities of development contained in native conditions and qualities of character, but have approached the difficult problems of colonial administration with a finished program based upon a vague belief in Destiny and in the universal applicability of our institutions. The basis of our action has not been the character and the needs of the Filipino race, of whose social and economic life we as a people know next to nothing, but our own institutions, which we are familiar with, which we admire, and concerning the usefulness of which we have no doubt. On account of political conditions, the Philippine Commission has been forced to have its eye upon public opinion in America, and its suggestions for legislation to Congress have of necessity been framed in such a way as to avoid opposition at home. We have thus not shown any originality in the solution of colonial questions, nor have we to any marked extent profited by the experience of other nations. Working upon the idea that we had a very special problem to solve, and upheld by the belief that we were to act as the liberators of the Filipino race, we have used very little critical judgment, and have been guided rather by general ideas than by a specific consideration of local needs. Our course of action can be fully explained as the natural result of historical forces, and it is not in the spirit of fault-finding that we here desire to take up critically the details of our policy. Any representative of American nationality placed in the position of the Philippine Commissioners would probably have been forced to look at the situation from a similar point of view and favor a similar course of action. But as the first political difficulties have now been settled, the time has come for a somewhat more critical examination of our insular policy, in order to ascertain

whether we can really rest assured upon the results to be expected from the measures thus far introduced. Is the bestowal of our institutions in the manner accomplished a real blessing to the Filipino race? Does it really correspond to the social and economic needs of the islanders? To answer these questions we must for once dismiss from our minds American conditions and fix our attention carefully and single-heartedly upon the situation we have to meet in our dependency. We have attempted to adapt to a poor and backward community the institutions of a rich, highly developed, and individualistic nation. We are beginning to feel that we cannot assimilate the Filipinos completely; but we have not as yet reached the conclusion that it may be dangerous to follow a policy of pseudo-assimilation. All other nations that have to deal with colonial dependencies,—even the French, formerly the protagonists of assimilation,—have abandoned this policy in favor of a system taking more account of local conditions. If we really desire to give autonomy to the Philippine Islands, should it not be a larger autonomy, based upon the inner needs of social life among the Philippine people, rather than a formal autonomy which from that point of view must seem false and unnatural?

After 1906 the Philippines are to have a representative assembly composed of one hundred members apportioned among the various provinces according to the census and elected upon the same suffrage qualifications that prevail in municipal elections (the payment of 15 Philippine *pesos* per year in taxes, or the ability to read or write English or Spanish, or former municipal office-holding). Wherever thus far numerical representation has been tried in tropical colonies it has failed. It stirs up fruitless political discussion, bitter factional strife, and general dissatisfaction, without assisting the government in real constructive work. Where the representative system is successfully used in tropical colonies by other nations, it is based on the representation of interests, not of numbers; the council or advisory body in such dependencies is composed of representatives of the industrial, commercial, agricultural, and educational interests of the community, of men who are selected because of their expert knowledge of specific economic and cul-

tural activities, but not of professional politicians. An assembly based upon direct popular election, will, according to all precedent, consider itself the true representative of sovereign power. The most intelligent Filipinos at the present time desire some form of the cabinet system, by which the ministers composing the government shall be made dependent upon the majority in the representative assembly; and having granted a political assembly at all, we have given some show of a fair basis for such a claim. While it will look upon itself as the representative of sovereignty, the assembly will be essentially an irresponsible body, because the ultimate power is left with the Commission, which is to constitute the Senate and also the administration. Should the assembly refuse its concurrence to any appropriation bill, the respective item or items continue in force as fixed by the budget of the preceding year. The assembly will therefore have rather the show than the substance of power, and it may readily be foreseen, that its action will often take the form of unpractical demands for legislation, and that political agitation will be its main concern. This forecast does not imply that the Filipinos are ignorant. On the contrary, it assumes that their assemblies will act as other assemblies under like conditions have acted.* While we have no satisfactory basis to judge of the actual and potential political capacity of the Filipino people, it would yet seem to be well established that we cannot regard them as a democracy of independent and resolute individuals; the preponderant mestizo aristocracy will assiduously plan and struggle to control the assembly, and through it to realize its interests; and their only successful competitors in the organization of the electorate will be the class of white politicians with which the recent party history of Hawaii has made us familiar. The civil governor of the Philippine Islands in his report, speaking of the ability of the natives to serve on juries, uses the following language: "The great majority of the electorate are not now fitted to take part in the administration of justice." This judgment would seem

* Nor can we in this case appeal to the precedent of our territorial assemblies, for all surrounding conditions are absolutely dissimilar, especially as the assembly represents a different race from the government.

to deny their ability to participate as electors or representatives in the work of legislation, which certainly involves ideas and relations far more complex than those likely to come up in the criminal trial of the neighborhood. But this is not implied, and the extract perhaps shows that we generally underestimate the amount of character needed to make the representative system successful. We all must needs admit that jury service demands character, but we are too apt to look upon the matter of election as a mere intellectual function, and to believe that an electorate will not be too ignorant to vote, though it lack the qualities of character necessary for jury service. But no matter how great our trust in the educative efficiency of representative government may be, we cannot regard the Philippine elective assembly as a final solution, as an institution that of itself will bring satisfaction, happiness, and efficient administration to the Philippine Islands. It is an institution that will itself raise a multitude of problems.

The achievement of our government in the Philippine Islands which we are most ready to regard as a justification of our sovereignty there, is the system of education. It is literary education that we are introducing,—English reading and writing, the history and geography of the United States and of the Philippine Islands, arithmetic, and similar elementary branches. In our national life we justly consider the public school as the foundation upon which everything else must be built, and the literary system here in vogue does not exercise any harmful influence because the inherent trend of our nation is strongly set toward practical affairs. But we have made a fetish of literary instruction and have introduced it into conditions which differ from those of our national life as night from day. When we consider the curriculum, it may be granted that the teaching of English is practicable and desirable. There is weight in the argument of the Commission, that as the Philippine people possess no common language, and as the dialects have no literature and show no promise of development, the English language, by far the most useful medium in the Orient, ought to be studied as offering the greatest advantages to the natives. But the manner in which this plan is being carried

out may be justly criticized. By taking a little more time, the native teachers could have been taught the English language in the normal schools and could then gradually introduce it among the natives. The large sums of money now expended might have been employed to far better advantage in improving the equipment of the schools and in establishing an efficient system of industrial education. On the latter side the curriculum of the school ought to be stronger. The general results of a literary education such as now contemplated are by no means satisfactory in a tropical dependency. It is reported that the natives are exceedingly anxious to learn the English language. Indeed it is the general experience in Oriental and tropical colonies that the natives are anxious for literary training, but their primary desire in most cases is to free themselves from the necessity of manual work and to get a clerkship under the government or in some commercial house. The number of such positions is of course very limited, and after they have been filled, great dissatisfaction is sure to arise among the natives who are unable to secure the coveted posts and who are not willing to resume manual labor of any kind. It would appear that the intellectual education, of which we expect so much in the Philippine Islands, is also not a solution of the difficulties, but that it too will create further problems to be solved; and that, while we must continue to offer this kind of an education, it is desirable to inquire whether other kinds should not be encouraged more, and whether a different and less expensive system of organization should not be immediately developed.

The manner in which the educational system has been organized deserves some attention at this point. We have taken one thousand American teachers from various parts of the Union and have sent them to the interior of the Philippine Islands to introduce American education. This is of course at first sight an attractive idea—to have a large number of intelligent, well-mannered men and women come among the natives and give them a living example of American ideas, would seem a very fruitful undertaking. But the system appears to less advantage when we consider the actual conditions. These young teachers, who drop like aerolites into a country

of which they have no knowledge and with which they have had absolutely no former relations, are called upon to instruct the native youth in English, making that language, never before heard in the villages, the language of instruction. Indeed we cannot be surprised, when other nations are making merry at this somewhat grotesque undertaking. The worst feature of the system, however, is the fact that it threatens to degrade the native teachers, upon whom the entire hope of the Philippine educational system must after all be built. While the American teacher is paid a liberal salary from the funds of the Philippine central government, the native teachers are paid out of the provincial and municipal treasuries. Their salaries, fixed upon a very low standard, are not paid promptly, and the teachers often have to go from one year's end to the other without full payment of a month's salary. The central government cannot without constant interference control the finances of the local units so as to assure prompt payment of the teachers, who are consequently very often reduced to practical beggary, while the American teacher, a perfect stranger in the locality, is regularly drawing a salary several times as large as that of his native associate. The result upon the latter's social position, which has never been very elevated, can well be imagined. The heavy cost of the system, involving the payment of salaries far in advance of the current local rate to a large number of ordinary American teachers, is also a matter of great importance in a country so poor as the Philippine Islands. Where the very most rudimentary school equipment is lacking in all but a few localities, where even the adequate payment of a sufficient force of native teachers would be as heavy a burden as the dependency can bear, it seems a policy of doubtful wisdom to spend several million dollars on teachers who in the special work required are after all raw recruits, and who usually leave when they have acquired some knowledge of the country. If the United States out of its wealth paid a part of this expenditure the experiment would at least not involve so great a risk of the misapplication of the very limited resources now available in the Philippines for educational purposes.

Similar considerations suggest themselves when we approach

the question of general public administration. It is our purpose to give to the Philippine Islands good roads, to develop their forests and mines, to establish civilized sanitary conditions in the cities, to provide them with a healthy water-supply, and to construct harbor works which will facilitate foreign commerce. All these purposes are excellent and necessary, but we have in the very first four years of our government established a complex system of administrative bureaus and divisions, which would be sufficient to carry on the work of a highly prosperous and fully developed government. Here too, we have been anxious to do a great deal in a short time, without fully considering the question as to how much an undeveloped country is able to bear. The actual results in work accomplished are difficult to ascertain from the bulky and ill-arranged reports of the commission and its various departments. It is apparent that Manila is on the whole well cared for, that a good road has been constructed to Benguet, a province suitable for summer residence, and that some valuable harbor improvements have been begun. It may well be questioned whether the intricate mechanism of the thirty odd divisions and bureaus in the various departments of government would have been at this time necessary. It is a mistake that has been made by other colonial governments, notably the French and German, to believe that wealth can be created in new regions by administrative action, and that by constructing the governmental framework of economic development, the latter itself is assured. We cannot expect through government action to develop the wealth necessary to support these agencies, and the condition of the islands at the present time certainly calls rather for complete freedom and encouragement of private initiative than for an expensive administrative system. It is difficult to avoid the impression that there has been too much administrative detail, such as is suitable for a fully developed administration in a settled country; too much time is spent in reporting, too many clerkships are used for mere literary work, while the actual accomplishment of this vast mechanism is not entirely satisfactory. While the French and Germans have made a similar mistake, they, at least, are paying the bill them-

selves, while we charge it up to the Philippine Islands, which are hardly in a position to pay it.* The Philippine Islands with a population of 8,000,000, at the present time have nearly as large a number of white officials as Java with its 30,000,000 and British India with its 230,000,000 inhabitants. Yet, what is required for the effective administration of a colonial dependency is not a multitude of officials but a small number of highly trained men of character, to whom extensive powers may safely be entrusted. The bane of colonial governments is clerkships and the red tape and reports of administrative bureaus. The average employee is not wanted as a colonial official. When we look over the sketches of the twenty-five defaulting treasurers in the Philippine Islands, we must conclude that such men lack the intelligence, training and character necessary for a position of trust under such difficult conditions as the colonial service implies. We need fewer officials with larger powers. We need fewer reports and less red tape, but more actual work accomplished. In this matter public opinion in the mother country is satisfied by the creation of agencies which apparently lead to the development of colonial economic life. But it never questions the cost, nor does it face the problem as to how far these agencies can actually succeed in their purpose. The American nation, accustomed to lavish public expenditure, glorying in a billion dollar congress, is in no position to appreciate the condition of a country in which agriculture is the only source of wealth, in which all industry is depressed, and where all larger means of wealth-creation remain to be organized. We wish to govern the Philippine Islands upon the standard of efficiency of a Western nation. We attempt to do it by immediately creating the intricate and expensive mechanism we are accustomed to at home. But the financial burden is too heavy for our dependency. When we compare the budget of the Philippine Islands with that of other

* Thus by the recent act creating the government of the Moro provinces, it is provided that \$70,500 gold shall be spent annually for the support of the principal officials. This amount, \$141,000 in Filipino currency, is larger than that paid by a prosperous state like Wisconsin for all its state officials and clerks.

dependencies which are in a fairly similar natural condition, we find that the per-capita expenditure in the Philippines is twice that in British India and in the Dutch East Indies, although the latter two dependencies have a far more highly developed economic life. In 1903 the expenditure of the central and provincial governments of the Philippine Islands in round figures was \$15,000,000, which, when we consider the local monetary conditions, is equal to about double that amount in our country. Efficient government being so expensive, shall we then lower our standard, or shall we assist the Filipino people to bear the burden while they are still weak? The policy of subventions, it must be admitted, does not commend itself as a regular arrangement, on account of its effect on the economic independence of a colonial possession. What we need to give is not subsidies, but a free opportunity to the economic life in the Philippine Islands to unfold itself. Only when a sound economic substructure has been created, may we hope that the institutions we have thus far introduced will become of real benefit to the Philippine people.

Our review of Philippine legislation thus far has shown that the measures upon which we have chiefly relied to give success to our colonial enterprise do not of themselves offer a solution of the serious problems; that in fact they open up new questions which clamor for solution. We should not disregard these existing difficulties and, satisfied with a vague reliance on the excellence of our institutions, blindly trust to the future to solve its own problems. We may well question ourselves what results we can reasonably expect these measures to produce. By their natural effect, the population will be encouraged to believe that their salvation lies in learning the English language, in voting, and electing representatives. But they will learn our language in order to obtain agreeable employment, and a purely intellectual education will leave them less inclined than ever to engage in manual work. No attention is being given to the more intimate history and traditions of these populations. Their folk-lore will be abandoned and destroyed and a vague superficial education in subjects which have no real connection with their racial life, will be

substituted. Nor can it be said that the political institutions thus far introduced can be relied upon to furnish a suitable basis for national life. The futility of elections will soon be recognized and the door will be opened to irresponsible politicians of doubtful character to exert their influence in stirring up dissatisfaction. Demands will be made upon the government which it will not be able to fulfill, and the natives, taking political agitation for constructive work, will have very little opportunity to obtain real training in national political action. Meanwhile the expenses of the government are rapidly increasing and a debt charge is being added to the regular expenditure. The limit of financial possibilities will soon be reached and our government will then by necessity have to readjust the entire scheme of public administration. But though we have been forced by political exigency to saddle ourselves with a number of burdens in our colonial administration, it is by no means too late to ask ourselves whether the tendency of our policy may not be changed. We have thus far had in mind an active, progressive, well-to-do, individualistic people, and it is time that we should fix our attention strictly upon the conditions in the country with which we have to deal and the racial characteristics of its inhabitants. The Philippine Islands have never been highly developed. Though they are a country of rich natural resources, agriculture has thus far been carried on with primitive processes on a small scale. There have been no manufactures except those connected with the first preparation of agricultural products for the market. The prime accessories of prosperous economic life, such as transportation facilities, are almost entirely lacking. Our possession is a country very favorably situated for commerce. Lying on the direct route between Australia, New Guinea, and Java on the one hand, and Japan and China on the other; between Singapore and India, and the United States; it is apparent that the islands under a liberal commercial policy, would develop a flourishing international commerce. The population with which we have to do is poor, shiftless, easy-going, and poetic of temperament. The masses are ignorant and deceitful, although appreciative of kind and just treatment. The people

we have to deal with are not organized as an individualistic democracy. The real social power is in the hands of the *mestizos*, who were anxious for the introduction of elective institutions, in order to secure for themselves whatever political prestige these institutions may bestow. The conditions of life everywhere except in Manila are of the most primitive nature. The natives have adopted the outward civilization of Spain, they are polite and hospitable, but they utterly lack energy, and they have thus far not given proof of originality or power of organization. They exhibit the same psychological traits that are found among the Malays of Java and on the mainland, who have been under the tutelage of the Dutch and of the English, or have lived in comparative independence.

Among the facts most clearly apparent from a study of colonial development, there is none more insistent than the difficulty of modifying social institutions and psychological characteristics by purely political action. The attempt has frequently been made to transfer the accessories of civilization to other races, but thus far the experiments of this kind have invariably resulted in disappointment. The destruction of native *morale* and social organization brought about by such an effort is usually not followed by an intelligent and complete adoption of the higher standard. It is therefore believed that it is not a wise policy to attempt directly to modify the psychology of an alien race. If any effort to raise the social standard of such races is to be successful, it must probably take the direction of modifying the economic structure upon which the social life rests. With sounder economic processes, with greater facility of inter-communication, with freer opportunities for economic enterprise, with a fuller utilization of natural resources, a general social development approaching more nearly the standard of our own individualistic civilization may be looked for. But this cannot be the work of a decade, nor can it be achieved through the adoption of a fixed program. The main consideration is that economic forces should be freed in their action from the many obstacles which they are apt to encounter in colonial enterprise. The true activity of the government is not creative of social action but liberative of

social forces, removing obstacles which impede the progress of individual development and enterprise.

Let us now cast a glance over the general economic policy which the American government has applied in the Philippine Islands. On account of the complicated administrative machinery which has been introduced, it has been necessary to establish and maintain a most comprehensive system of taxation. A land tax furnishes the main resources for municipal and provincial government. The internal revenue taxes and the customs tariff are used for the purposes of the central government, which, however, turns over one-fourth of the proceeds of the former to the local units. The internal revenue tax strikes every commercial transaction in which writing is necessary and besides imposes a general charge upon the volume of any individual business and upon the practice of any profession. Outside of Italy it would be hard to find a system of taxation that so efficiently scours the whole field of business. The merchants and professional men of a country like the United States would look upon it as a most unbearable burden. To this is added a tariff which in its present form is high enough to be protective if there were anything to need protection, as well as an export tax upon the principal products of the islands. The commercial policy adopted is one of restriction rather than freedom. A high tariff, rigid customs house regulations, exclusive shipping laws, and prohibitory duties in the mother country constitute the elements of a policy through which we hope to regenerate Philippine commerce. The government favors a policy of harbor and internal improvements; these works are to be constructed either out of public funds or with an interest guarantee by the Philippine government. A restrictive land policy has been established by Congress under which the maximum amount of public lands to be sold to any one corporation has been fixed at 2000 hectares. Chinese labor has been excluded from the dependency, and while a literary education has been provided for the natives, practically no steps have been taken to train them to greater industrial efficiency. The restrictive element in this policy has been largely imposed upon the islands by Congress-

sional action. Congress has passed the coasting law, has restricted the land sales, and has refused the Philippine products free entry into the United States. On all these points the Commission has insistently argued for a different policy. It has, however, favored the system of taxation, the policy of railway guarantees, the law for Chinese exclusion, and literary education.

We may now consider somewhat more in detail the economic policy along these various lines. The development of industrial life in a colony is closely dependent upon the commercial policy. Tropical colonies produce food materials and the raw products for manufactures. It is most important to them that the market of the entire world should be open to their products. They have no interest in a protective policy because they do not develop manufacturing industries. A low revenue tariff, interfering as little as possible with the currents of trade is therefore most conducive to economic welfare in tropical possessions. But although we are bound by treaty not to claim exclusive commercial benefits for the United States before 1909, it is already unhappily apparent that our policy towards the Philippine Islands is governed primarily by the interests of our own manufactures. It is to be seriously apprehended that when the time for unhampered action on our part comes, the American manufacturing industries will demand exclusive privileges in the Philippine Islands. At that time the United States will be in a position to prove to the world its sincerity, both in its professions of benevolence to the Philippine people and its preference for the open door in the Orient, and it is to be hoped that then public opinion will assert itself and demand that the commerce of our dependency shall not be shackled and confined to restricted channels in favor of the manufacturing interests of our country, no matter how important they may be.

The tariff for the Philippine Islands which was adopted by the Commission in 1901 has rates which are in general too high for a tropical dependency; thus for instance, it taxes imports of textiles from 25 to 40 per cent., and iron manufactures 15 per cent. as a minimum. The tax on machinery is to be re-

duced, but to tax any industry that has invested a large sum of money in machinery with which to develop Philippine resources, is certainly not the way to encourage industrial progress. At the present time the enforcement of the customs regulations of the Philippine Islands is so harassing as to have become exceedingly inconvenient to commerce of all sorts. The prosperity of British commerce and colonial development in the East is due primarily to the liberality of commercial arrangements in such colonies as Hongkong, the Straits Settlements, and India; and if the Philippine Islands are to draw the fullest advantage from their marvelous geographical position, it will be necessary to make the custom house procedure as free from unnecessary delay and vexation as possible. Commerce is very sensitive in such matters and it is easily driven away by improper restrictions. It is to be hoped that in time one or two absolutely free ports may be established in the Philippine Islands. Thus Manila itself should have a free port where the products of the various countries that lie in a circle about the Philippine Islands might be exchanged. In that case the city might hope to rival the commercial prosperity of Hongkong and Singapore. It is not necessary that the entire city should be embraced in the free trade zone—some such arrangement as the Hamburg free port reservation might be made. By an unprecedented extension of the law of coasting trade, we shall after 1906 prohibit any foreign vessel from carrying merchandise between the Philippine Islands and the United States. By erecting a monopoly in favor of American vessels we shall thus impose a heavy burden upon the commerce of our dependency.

Although in consequence of revolution and war the industries of the islands are in a most precarious position, Congress has steadfastly refused to give the imports from the islands a substantial reduction from the regular tariff rates. A reduction of 25% is recognized by all disinterested parties as being far too small; but the protected interests, being influential with the government, are reluctant to grant a larger preference to colonial trade, not on account of any present danger to them, but simply because they fear to establish an inconvenient precedent for future action.

The Commission has from the first in its various reports emphasized the necessity of greatly improved facilities of communication in the islands; and indeed, utterly inadequate as were the roads of the interior before the war, they are at the present time through long neglect and the destruction of bridges in a worse condition than ever. The policy of the Commission involves the construction of highways by the local governments, the encouragement of railway building, and the development of an efficient system of coasting trade. Engineering work in the tropics is especially difficult on account of the devastation caused by heavy rains. The methods of American road building will have to be modified considerably to produce lasting results in the Philippine Islands at an expense not incommensurate with the benefits attained. Considering the poverty of the municipalities, road-building will necessarily be slow. Proposed legislation gives the municipalities the power to borrow money at five per cent. for the purpose of local improvements; the total debt not to exceed five per cent. of the assessed value of the real property in the *municipio*. The exercise of this right will have to be closely supervised by the Commission to avoid the result of saddling the local governments with a heavy debt for money expended in poorly constructed roads. The central government itself has spent nearly a million dollars in building a road from Manila to the province of Benguet, and a larger amount for harbor improvements. By Congressional legislation the Philippine government is to be given the power to guarantee four per cent. interest upon not exceeding \$30,000,000 of capital of the railway companies which will undertake the construction of railroads in the Philippine Islands. In imposing the probable charge of \$1,200,000 per year upon the Philippine treasury, Congress contemplates certain precautions to protect the latter. Interest is to be guaranteed only upon capital actually invested in railway construction, and the gross earnings of the companies are to be applied as follows: (1) to operating expenses; (2) to necessary repairs; (3) to betterments approved in writing by the governor-general; (4) to interest on the bonds guaranteed by the government; the interest guarantee is therefore not

absolute but is to be effective only in case the company does not earn a sufficient income to pay the interest itself. All payments made by the government upon the account of interest are to constitute a lien upon the property of the railway companies. With these safeguards the Philippine treasury seems to be sufficiently protected. It is, however, well to remember that the building of a railway itself does not develop the necessary wealth, and that the Commission will have to be very careful in granting its charters only in cases where a beginning of economic development at least justifies the expensive construction of a railway.

As in all tropical dependencies, except in India and Java, the question of the labor supply presents the greatest difficulties in the Philippine Islands. According to the almost unanimous testimony of practical observers, the Filipino laborer cannot be relied on for steady continued work. The harder work which can easily be done by American or Chinese labor, is shunned entirely by the Filipinos, who are accustomed to work leisurely on their small farms. The Commission has officially expressed its confidence in the ability of the Filipinos to furnish a sufficient labor force. And, indeed, at the present time, when all industries are undergoing a decline, the government and a few construction companies certainly should not have any difficulty in getting the labor they need at the very fair rate of wages which they are able to pay. But a private employer, who is competing with producers in Japan, China, and India, will have to adhere strictly to the current rate of wages, and will not be able to attract laborers by enhanced remuneration. As the sugar and tobacco industries gradually recover and as large public works are executed, the question of labor supply will become more and more acute. The American government has extended to the Philippine Islands the Chinese exclusion law. At the time when this exclusive legislation was adopted in the United States, there was some show of reason for the measure. The standard of living of the American laborer had to be protected and large areas in California open for settlement had to be reserved for people of our own race. But at the present time, when the policy of Chinese

exclusion has lost much of its justification in the United States, it appears entirely artificial when applied to the Philippine Islands. The Chinese are the most industrious and energetic race of the Orient. Through their industrial and commercial ability they have in the past made the success of such cities as Hongkong, Canton, Singapore, Batavia, and Manila. They are the next-door neighbors of the Philippine Islands and nothing is more natural than that there should be intimate social and commercial relations between these countries and peoples. In extending our legislation to the Philippine Islands we apply by analogy the same arguments that have been used to defend it in our own country. We desire to protect the Filipino laborer against competition, and the Filipino peasant against expropriation by the successful Chinese. As to the first point, it is not believed that the Filipinos are anxious to do the work which Chinese laborers would perform, nor is it clear where the industries that are to support the expensive administration of the Philippine Islands are to secure their labor supply. As to the second point, it would be perfectly feasible to protect the Filipinos by restricting the land sales to the Chinese, and by limiting the numbers of Chinese immigrants and the time of their sojourn. It is by no means apparent that the Filipinos do not gain by association with the Chinese. The Chinese-Malay mestizos are generally considered superior to the original Malay stock. Chinese character contains just those qualities in which the Malay is weak, and it can in no sense be looked upon as a racial misfortune if a certain amount of intermarriage between the Chinese and Filipinos should take place.

Considering the native labor supply, it is probable that the system of literary education will render the native population less inclined than ever to perform manual work. The Philippine Commission declares that the natives do not desire industrial education. This is uniformly true of tropical and oriental peoples, who come under Western tutelage. Seeing the race by which they are governed abstaining from manual toil, they consider this exemption as the only honorable manner of living, and aspire to a position which will enable them to do likewise. But if the practical American people is to attain

an original achievement in colonial administration, we ought to think that it would lie along the line of developing the industrial efficiency and the practical talents of their wards. If the millions of dollars that have been spent in the importation of American teachers had been put into a well considered system of industrial education, a fair beginning might by this time have been made. It would certainly have been possible to arouse the interest of the natives in industrial training. If native teachers who excelled in industrial ability were given preferred treatment, if pupils were distinguished according to their ability in industrial work, a new standard would very soon be established, especially if the natives would see Americans themselves work with something of their accustomed energy. No more hopeless outlook can be conceived of than that of a tropical population which sets up the standard of a barren intellectual culture; and the sooner agricultural and industrial training is given a prominent place, not only in the secondary but in the primary schools throughout the islands, the better will it be for the ultimate happiness and prosperity of the Filipino people.

The land system established by the Congressional legislation is based upon the laudable idea that monopolization must by all means be prevented. Therefore Congress has restricted the amount of land to be sold to any corporation to 2000 hectares, and has provided that no individual or corporation shall hold more than one mining claim on any lode or vein. The object avowed by Congress is certainly necessary and praiseworthy, but again American conditions have been in mind rather than those of our dependency. It is well-known to any one familiar with tropical agriculture that the expensive industrial establishment of a modern plantation calls for a larger tract of land to supply it than that provided for in the law. There is no scarcity of land in the Philippine Islands; as a matter of fact 61,000,000 acres are at the disposal of the government. Monopolization of this land might be prevented effectively by other means, some of them also included in the above legislation, such as charging a fair price, taxing the land, granting only long leases, and making definite requirements

with respect to its cultivation. Under the present system capital will be backward to engage in tropical agriculture in the Philippines. It would not be necessary entirely to remove the restriction, although if the other measures are taken, it is difficult to see how any individual or corporation would desire to own a larger quantity of land than could be industrially utilized. The Commission has repeatedly urged Congress to raise the maximum limit of a grant to 10,000 hectares, a figure which would be large enough for the needs of tropical agriculture and which would at the same time prevent monopolization.

The Philippine Islands have everything to gain from the free employment of capital in their commerce, agriculture, and industry, and an over-anxiety to prevent the exploitation of the islands and the natives may well lead to measures that will prevent development altogether. The natives should indeed be protected and the public domain should be preserved for future generations; but this may be done by measures which do not conflict with the natural liberties which commerce and industry require in order to gain strength.

To the end that the Philippine Islands may be prepared for autonomy, we ought to be willing to allow the Commission to judge any proposed policy entirely upon the basis of local conditions. It should be given the greatest measure of independence in formulating its legislative policy. We should not expect it to produce a vast amount of action, but we should insist upon quality in the personnel of the civil service and in the results obtained. Attention should not be concentrated on public opinion in the United States, but should be given primarily to an analysis of the needs of Filipino society. In the dominant country the supervision of colonial affairs should be carried on in a liberal spirit by the Insular Bureau, interfered with as little as possible by Congressional action. The Bureau might be assisted in its difficult work by a colonial council, composed of men who have a practical experience in administration and of other experts on colonial matters. Such a council of experts could safely be trusted to exercise a certain moderating influence upon the administration and to judge wisely of measures to be introduced and of general lines of policy.

Before all, the American people must learn to be satisfied with that natural progress which is necessarily slow. Should we continue to sail rapidly down the stream of pseudo-assimilation, a complete catastrophe could hardly be avoided. The social and economic conditions of the islands cannot be regenerated by state manifesto. Improvement can only come through the patient work of decades, and it is only on the basis of more highly developed economic conditions that a suitable social civilization can be erected. Sweetness and light in this case takes the form of business common sense and the avoidance of far-reaching schemes of artificial assimilation. We shall never succeed in making Americans of the Filipinos; but we may hope by a careful, considerate, natural policy, to assist in raising their life to a higher plane, though it must remain their life, and will never be ours.

DISCUSSION.

HENRY C. MORRIS: From the discussion of this morning, it appears that there is urgent and special need for the education of the people in matters relating to colonization and colonial policy. While the effects of this meeting will, without doubt, be widespread, they can at best be only temporary. The acquisition of colonies or dependencies has been met, by a very considerable number of the people of the United States, with disfavor. There has been, on the part of certain politicians and one of the great political parties, a disposition to decry any system of colonization. However ardent the aspirations of others in the direction of colonial empire may be, it must be confessed that with the legislative organization and administrative features of our country, numerous difficulties are presented to the assimilation or incorporation of colonies, under whatever name they may be known. There is no doubt that the United States cannot well adopt, as an entirety, any system which may have been elaborated by another power; differing conditions require varied methods of treatment. With the masses of people and the larger proportion of the members of our working political bodies, unfamiliar with the history of colonial possessions; or even at the best with only the short experience